

Transport Planning Society

TPS Roundtable Note: How place-based business cases should inform scheme business cases, 4 March 2026

The discussion question

The new [Green Book](#) was published by Treasury at the beginning of February. While it gives much greater clarity on how cost benefit analysis and metrics such as benefit cost ratios should be used to support scheme longlisting and shortlisting, and the assessment of value for money, it still leaves unanswered questions.

In particular, **how should place-based business cases inform a scheme-based business case? And what is the role of vision-led strategy made up of a package of interventions when it comes to making the case for a scheme?**

How Place-Based Business Cases were expected to inform scheme business cases

Participants considered that Place-Based Business Cases (PBBC) should be the place-level 'parent case' that provide scheme business cases with:

- (a) a clear, place-specific vision and outcomes framework;
- (b) an agreed rationale for intervention that is cross-sectoral (not a single-mode or single-scheme narrative); and
- (c) a logic explaining why the benefits of the package is greater than the sum of individual schemes.

The PBBC should not be a substitute for scheme business cases, but be the mechanism that:

- clarifies what is already agreed at programme level;
- reduces the burden when developing a scheme business case; and
- strengthens scheme-level arguments where benefits rely on sequencing, complementary measures, or wider place change.

1. What should happen to scheme appraisal when a PBBC is vision-led?

The discussion considered how an individual scheme should be assessed when it sits within a wider, vision-led package of interventions. Scheme business cases still need credible scheme-level appraisal, but should be able to lean on PBBC-level objectives, constraints, and the 'policy-on' direction of travel. With a PBBC in place, questions were raised about the role of a conventional 'policy-off' counterfactual and whether it risks obscuring a scheme's role as an enabling component of a

package. The preference was for the PBBC to allow greater weight to be placed on a ‘policy-on’ scenario within scheme-level business cases.

Scheme business cases should explicitly reference the PBBC’s logic where relevant - i.e., why the scheme’s benefits depend on complementary interventions, what it enables, and how it contributes to outcomes that are not achievable through isolated delivery. The PBBC should be the appropriate home for the “greater than the sum of the parts” argument, while the scheme business case should state clearly which elements of that argument it is relying on and what assumptions must hold for benefits to materialise.

2. What PBBC evidence should scheme business cases be allowed to reuse (theory of change and demand)?

Participants questioned how much the scheme business case should have to re-prove causality if the PBBC already sets out an agreed theory of change. The discussion suggested a division of labour:

- the PBBC should set the overarching causal pathways, assumptions, and monitoring approach for the package of interventions; while
- scheme business cases should provide scheme-specific evidence on deliverability, local barriers, and any parameters that materially change expected demand.

Staged delivery and review points were discussed as a practical way to manage uncertainty where “build it and they will come” assumptions are contested.

3. How should PBBCs change governance and assurance for scheme approvals?

Participants anticipated that better resourced authorities (larger authorities or Combined Authorities) would find it easier to develop PBBCs. This prompted a concern that PBBCs could create a two-tier system if smaller authorities cannot muster the resources needed to meet the implied threshold for producing a place-based case that then carries weight in scheme approval. There is a need for guidance on proportionality and on what a “minimum viable” PBBC looks like, so the approach does not entrench existing disparities in funding and appraisal capacity.

4. How should PBBCs support the simplification of scheme business cases?

A connected issue was whether PBBCs can materially simplify scheme business cases if central government retains business case approval for the ‘anchor’ scheme in a PBBC. PBBCs would only “inform scheme cases” in practice if guidance clarifies what is agreed once at PBBC level (vision, outcomes, place-based package logic, prioritisation criteria) and what still needs scheme-level assurance (costs, deliverability, risks).

Delivery vehicles such as Mayoral Development Corporations (MDCs) were seen as one mechanism for programme implementation. But regardless of delivery vehicle, clear shared ownership between Combined Authorities, local authorities, and other delivery partners is needed to keep schemes aligned with the PBBC over time.

5. How should PBBCs influence scheme-level value for money (VfM) narratives and Benefit Cost Ratios?

Participants highlighted a practical challenge for scheme business cases: vision-led outcomes that matter to places can sit outside what is readily monetised, limiting their influence on Benefit Cost

Ratios (BCRs). The PBBC was therefore seen as the place to articulate the full outcomes framework (including non-monetised benefits) and to set expectations for how schemes should describe their contribution to those outcomes alongside conventional Value for Money (VfM) metrics.

A further concern was that if appraisal remains predominantly scheme-by-scheme, place-level effects may be lost as individual schemes progress at different speeds. The discussion suggested that guidance should make explicit how scheme business cases can reference place-level effects (sequencing, complementarities, cumulative demand and wider impacts) without creating disproportionate modelling burdens.

6. What does a PBBC need to set out so schemes can progress smoothly through delivery?

The Management Case was viewed as a key point of connection between PBBCs and scheme business cases. Participants suggested that the PBBC should set out: prioritisation criteria, delivery sequencing, key dependencies between interventions, and the governance triggers for re-prioritisation if assumptions change. Scheme business cases could then focus on scheme-specific delivery detail while demonstrating consistency with the agreed programme logic.

Delivery vehicles (including MDCs where they exist) were discussed primarily in terms of whether they can keep schemes aligned to the PBBC once delivery starts. Participants expected guidance to be clearer on roles and responsibilities across organisations, and on how scheme approvals, monitoring, and change control should operate within an agreed package.

7. Additional implications for how PBBCs inform scheme cases

Devolved decision-making and assurance. Participants supported decisions being made closer to places, but stressed that PBBCs will only meaningfully inform scheme cases if assurance arrangements avoid duplicative central reviews for issues already settled at PBBC level.

Agglomeration and wider impacts. PBBCs were seen as a way to state up front which wider impacts are intended outcomes of the place-based package; scheme business cases could then reference this agreed intent and focus on scheme-level contribution.

Efficiency potential. The anticipated efficiency benefit should be that some assessment is completed once in the PBBC and then reused across multiple scheme business cases. Participants also noted potential delivery efficiencies from managing a place-based package (procurement, construction, programme management), provided governance does not add additional approval layers.

Bridge between spatial planning and funding. PBBCs were described as a potential bridge between spatial plans and scheme-level funding decisions, giving scheme business cases a clearer and more stable narrative about place outcomes and how individual schemes contribute. This said, they should not duplicate local plans or local growth plans. PBBCs should add business case rigour to the narrative for a tightly defined geographic area.

8. Open questions to shape future guidance

- What should be treated as “agreed once” in a PBBC and therefore reused in scheme business cases (vision, outcomes, place-based package logic, prioritisation criteria), and what must remain scheme-specific?

- How should scheme appraisal operate within a vision-led context - particularly expectations for 'policy-off' baselines, 'policy-on' framing, and sensitivity testing where sequencing matters?
- How should objectives be expressed within a PBBC. Are they high-level strategic outcomes, or should they be specific spending objectives expressed in SMART terms?
- What minimum standard of theory of change and demand evidence should sit at PBBC level, and how should scheme business cases reference (rather than replicate) that evidence?
- How should non-monetised benefits and wider place outcomes be handled so they credibly influence scheme-level VfM narratives without having to rely on complex modelling (which would mean the availability of certain types of models becomes a gateway condition to developing a PBBC)?
- What governance and assurance model is required so PBBCs genuinely streamline scheme approvals rather than adding additional layers?

A practical point for guidance development was how best to reference supporting material in a way that is accessible for those drafting PBBCs and scheme business cases:

- Define minimum requirements for setting out and assuring a PBBC theory of change, particularly for behaviour-change and demand-led interventions.
- Set expectations on proportionality so PBBCs do not become dependent on complex modelling, while still enabling credible place-based package-level assessment.
- Provide guidance on governance and assurance that enables regional decision-making without reintroducing duplicative central approvals.
- Explain how PBBCs should interact with different appraisal methodologies across sectors.

About the Transport Planning Society

The Transport Planning Society (TPS) is the only professional body focusing entirely on transport planning in the UK. The aim of the Society is to raise the profile of transport planning and chart a course for the profession.

About the Transport Planning Society Policy Panel

The TPS Policy Panel was formed in November 2024 to:

- Ensure TPS is influential and proactive in seeking improvements in policy and practice, and in setting the transport agenda at a national, regional and local level.
- Be proactive in the creation of an open, diverse and inclusive transport planning community.
- Provide the widest possible forum to engage on relevant and topical transport planning issues.
- Improve the public understanding and the image of transport planning and transport planners, and promoting transport planning as a profession.

The panel has five sub-groups, and the Interchange Roundtable was facilitated by the Governance, Appraisal, Business Case & Modelling Panel. The TPS Interchange Roundtable took place on the afternoon of 4 March. There were twelve participants drawn from the public sector, consultancy and transport operators. The Chatham House rule was applied.

This paper was produced with AI assistance. Three sets of contemporary notes from Panel members were combined into a single document and AI (Copilot) was asked to produce a short paper that combined the notes and drew out key findings. AI was used to refine the draft before manual editing by the Roundtable lead, taking into account comments from other Panel members.